

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BLAZER ENERGY)	
CORPORATION, INC., A WHOLLY OWNED)	CASE NO. 98-489
SUBSIDIARY OF EASTERN STATES OIL &)	
GAS, INC. TO ADJUST RATES)	

O R D E R

On September 9, 1998, Blazer Energy Corporation, Inc. ("Blazer Energy") applied to the Commission for authority to adjust its rates for service rendered on and after November 9, 1998.

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings cannot be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

1. The proposed rates are hereby suspended for 5 months from November 9, 1998 up to and including April 8, 1999.
2. The procedural schedule listed in Appendix A, which is attached hereto and incorporated herein, shall be followed.
3. All requests for information and responses thereto shall be appropriately indexed. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 10 copies to the Commission.

4. Blazer Energy shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, the Applicant shall forward a duplicate of the notice and request to the Commission.

5. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of compelling reasons.

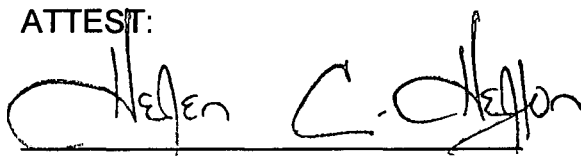
6. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 22nd day of October, 1998.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 98-489 DATED OCTOBER 22, 1998

All requests for information to Blazer Energy shall be
filed no later than 11/06/98

Blazer Energy shall mail or deliver responses to the
requests for information no later than 11/20/98

All supplemental requests for information (to include only those
matters within the scope of the initial requests) to Blazer Energy
shall be filed no later than..... 12/04/98

Blazer Energy shall mail or deliver responses to supplemental
requests for information no later than 12/11/98

Intervenor testimony, if any, shall be filed in verified
prepared form no later than 12/18/98

All requests for information to Intervenors
shall be filed no later than..... 01/08/99

Intervenors shall mail or deliver responses to
requests for information no later than 01/15/99

Last day for Blazer Energy to publish notice of hearing date..... 01/13/99

Public Hearing is to begin at 9:00 a.m., Eastern Standard Time, in
Hearing Room 1 of the Commission's offices at 730 Schenkel Lane,
Frankfort, Kentucky, for the purpose of cross-examination of witnesses
of Blazer Energy and witnesses of the Intervenors..... 01/20/99